

## REMARKS

Claims 1-76 are pending in the present application. Claims 34-76 have been withdrawn from consideration. Claims 1-22 and 25-33 stand rejected under 35 U.S.C. § 102(b). Claims 23 and 24 stand objected to as being dependent upon a rejected base claim. Claim 1 has been amended by this amendment. Claims 77-78 are new claims added by this amendment.

As noted above, claims 23 and 24 have been objected to by the Examiner as being dependent upon a rejected base claim (claim 1). The Examiner has indicated that these two claims would be allowable if rewritten in independent format. In response, claims 23 and 24 have been rewritten in independent format as new claims 77 and 78, respectively. As such, it is respectfully requested that new claims 77 and 78 be deemed allowable.

Claims 1-22 and 25-33 presently stand rejected by the Examiner under 35 U.S.C. § 102(b). More specifically, the Examiner rejected claims 1, 2, 6, 11, 12, 16-22, 25-29, and 31-33 as being anticipated under 35 U.S.C. § 102(b) in view of Rastorguyeff. Additionally, the Examiner rejected claims 1-18 and 25-33 as being anticipated under 35 U.S.C. § 102(b) in view of Middelberg et al. These positions are respectfully traversed as described below.

As set forth above, claim 1 has been amended to more particularly claim and define the present subject matter. As amended, claim 1 now recites that the first and second staging surfaces are disposed along an at least substantially horizontal plane, as shown, for example, throughout the drawings as originally filed. Claim 1 has also been amended to recite that the third staging area

comprises at least a portion of the second staging area rather than the second transport assembly to better clarify the third staging area. Finally, claim 1 has further been amended to recite that the conveying device is adapted in the letters mode position for letters to be advanced by the conveying device to and staged in the first staging area in an at least substantially horizontal orientation for subsequent advancement to the second staging area, and in the flats mode position for flats to be advanced by the conveying device to pass over at least a portion of the first staging area and advance to the third staging area. No new matter has been added.

In light of the amendments set forth above to more particularly point out and distinctly claim the present subject matter, applicants respectfully submit claim 1, and all of its dependent claims, should now be allowable over the art of record. There is no teaching or suggestion in Rastorguyeff of a horizontally disposed or oriented first staging surface or area and certainly no teaching or suggestion of a horizontally disposed or oriented second staging surface, as Rastorguyeff only teaches a first staging area and specifically requires an angled surface and orientation for processing. There is also no teaching or suggestion in Rastorguyeff of a third staging area comprising at least a portion of the second staging area. Finally, Rastorguyeff has no teaching or suggestion of an adjustable conveying device adapted in the letters mode position for letters to be advanced by the conveying device to and staged in the first staging area in an at least substantially horizontal orientation for subsequent advancement to the second staging area, and in the flats mode position for flats to be advanced by

the conveying device to pass over at least a portion of the first staging area and advance to the third staging area.

The disclosure of Middelberg et al. teaches first and second staging areas, but contains no teaching or suggestion of a third staging area comprising at least a portion of the second staging area. Middelberg et al. also does not teach an adjustable conveying device adapted in the letters mode position for letters to be advanced by the conveying device to and staged in the first staging area in an at least substantially horizontal orientation for subsequent advancement to the second staging area, and in the flats mode position for flats to be advanced by the conveying device to pass over at least a portion of the first staging area and advance to the third staging area. Applicants respectfully submit that there is no disclosure in Middelberg et al. that elements 52A, 52B and 52C have different modes of operation wherein they can change material flow path such that material is advanced in one mode to a first staging area for subsequent advancement to a second staging area, and in another mode to a third staging area as presently claimed.

In light of the amendments and comments set forth above, applicants respectfully submit therefore that the rejections of independent claim 1 and the claims that depend therefrom should be withdrawn.

CONCLUSION

In light of the above amendments and remarks, it is respectfully submitted that the present application is now in proper condition for allowance, and such action is earnestly solicited.

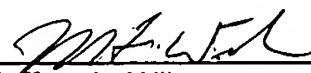
If any small matter should remain outstanding after the Patent Examiner has had an opportunity to review the above Remarks, the Patent Examiner is respectfully requested to telephone the undersigned patent attorney in order to resolve these matters and avoid the issuance of another Official Action.

DEPOSIT ACCOUNT

The Commissioner is hereby authorized to charge any fees associated with the filing of this correspondence to Deposit Account No. 50-0426.

Respectfully submitted,

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